

AN ORDINANCE

101440

**ASSIGNING THE OBLIGATIONS AS A PARTY TO A TAX  
PHASE-IN AGREEMENT, BETWEEN THE CITY, PACIFICARE  
HEALTHCARE SERVICES AND WELLS OPERATING  
PARTNERSHIP, L.P., FROM WELLS OPERATING  
PARTNERSHIP, L.P. TO LEXINGTON SAN ANTONIO L.P.**

\* \* \* \* \*

**WHEREAS**, on February 3, 2000, City Council approved a six-year, 100% abatement of ad valorem taxes on real property improvements, beginning January 1, 2001 and terminating on December 31, 2006, made by Opus South Corporation ("Opus"), the owner of the taxable real property located at 6200 Northwest Parkway, for the benefit of PacifiCare, the property tenant; and

**WHEREAS**, the terms of the Tax Phase-In Agreement (the "Agreement") required Opus to construct a 140,000 square foot office facility, at which PacifiCare would house its customer service and/or finance and accounting operations for its Southwest Region; and

**WHEREAS**, in addition, PacifiCare would create approximately 200 permanent, full-time jobs with an hourly wage of \$9.43; and

**WHEREAS**, Opus and PacifiCare were required to jointly invest at least \$20,700,000 in site preparation, development and construction of the facility; and

**WHEREAS**, to date, investment exceeds \$21,000,000 with more than 800 PacifiCare employees earning an average wage of \$9.43 per hour; and

**WHEREAS**, on April 24, 2003, the interests and obligations of Opus under the Agreement were assigned to a new purchaser, Wells Operating Partnership, L.P. ("Wells"), a nationally recognized real estate investment firm specializing in the acquisition of income-producing office and industrial properties that are pre-leased long-term to Fortune 500-caliber tenants; and

**WHEREAS**, Wells has since sold the real property at which the PacifiCare facility is located to Lexington San Antonio L.P. ("Lexington"), a Delaware limited partnership which is a wholly-owned subsidiary of the Lexington Corporate Properties Trust (the "Trust"), a real estate investment trust; and

**WHEREAS**, the Trust owns and manages office, industrial and retail properties leased to corporate tenants nationwide and has been a publicly-traded company since October 1993; and

**WHEREAS**, pursuant to the terms of the Agreement, City Council approval of the assignment from Wells to Lexington, further described in Attachment I, is required; and

**WHEREAS**, City Council finds that it is in the best interest of the City to approve the assignment; **NOW THEREFORE**:


**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** City Council hereby approves the terms of an amendment to assign the rights and obligations of Wells Operating Partnership, L.P., under the Tax Phase-In Agreement between the City, PacifiCare Health Care Services and Wells Operating Partnership, L.P., to the new real property owner, Lexington San Antonio L.P, as further described in Attachment I.

**SECTION 2.** This ordinance shall be effective on the tenth (10th) day after passage.

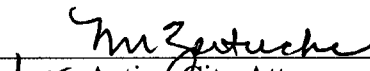
PASSED AND APPROVED this 22nd day of September, 2005.

ATTEST

  
City Clerk

  
M A Y O R  
PHIL HARDBERGER

APPROVED AS TO FORM:

  
for Acting City Attorney

# Agenda Voting Results

**Name:** 15.

**Date:** 09/22/05

**Time:** 02:43:31 PM

**Vote Type:** Multiple selection

**Description:** An Ordinance assigning the obligations as a party to a Tax Phase-In Agreement between the City, PacifiCare Health Care Services and Wells Operating Partnership, L.P. from Wells Operating Partnership, L.P. to Lexington San Antonio L.P. [Presented by Ramiro Cavazos, Director, Economic Development; Jelynn LeBlanc Burley, Assistant City Manager]

Voter	Group	Status	Yes	No	Abstain
ROGER O. FLORES	DISTRICT 1	Not present	x		
SHEILA D. MCNEIL	DISTRICT 2				
ROLAND GUTIERREZ	DISTRICT 3		x		
RICHARD PEREZ	DISTRICT 4		x		
PATTI RADLE	DISTRICT 5		x		
DELICIA HERRERA	DISTRICT 6		x		
ELENA K. GUAJARDO	DISTRICT 7		x		
ART A. HALL	DISTRICT 8		x		
KEVIN A. WOLFF	DISTRICT 9		x		
CHIP HAASS	DISTRICT_10		x		
MAYOR PHIL HARDBERGER	MAYOR		x		